

**Department of Planning and Budget
2025 General Assembly Session
State Fiscal Impact Statement**

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ORIGINAL

Bill Number: HB2178 **Patron:** Clark
Bill Title: Regulation of discharging preproduction plastic; requirements.

Bill Summary: Requires the Department of Environmental Quality (DEQ) to establish a program to ensure zero discharge or release from point and nonpoint source at certain facilities that discharge to (i) a surface water under a Virginia Pollutant Discharge Elimination System (VPDES) permit issued by the Department or (ii) a publicly owned treatment works under an industrial pretreatment program permit or other written authorization issued by a local permit control authority and to require the prompt and environmentally responsible containment and cleanup of discharged or released preproduction plastic. The bill requires the Department to adopt and implement certain requirements in order to reduce and control the discharge or release of preproduction plastic from such facilities. The bill allows the Department to exempt a facility from the requirements of the program if a facility satisfies the criteria for a no exposure certification and complies with inspection requirements administered by the Department. The bill also allows the Department to establish additional requirements regarding the regulation of discharges and releases of preproduction plastic from certain facilities into water or onto land in the Commonwealth.

Budget Amendment Necessary: **Items Impacted:** 363 (DEQ)
Explanation: This bill involves DEQ. An amendment is required to provide the agency with resources to carry out the requirements of the bill.

Fiscal Summary: The annual general fund impact to DEQ is estimated at \$270,000 annually, corresponding to two positions in charge of completing tasks for which the agency currently has no capacity. See “Fiscal Analysis,” below.

General Fund Expenditure Impact:

| <u>Agency</u> | <u>FY2025</u> | <u>FY2026</u> | <u>FY2027</u> | <u>FY2028</u> | <u>FY2029</u> | <u>FY2030</u> |
|---------------|---------------|------------------|------------------|------------------|------------------|------------------|
| DEQ | \$0 | \$270,000 | \$270,000 | \$270,000 | \$270,000 | \$270,000 |
| TOTAL | \$0 | \$270,000 | \$270,000 | \$270,000 | \$270,000 | \$270,000 |

Position Impact:

| <u>Agency</u> | <u>FY2025</u> | <u>FY2026</u> | <u>FY2027</u> | <u>FY2028</u> | <u>FY2029</u> | <u>FY2030</u> |
|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| DEQ | 0 | 2 | 2 | 2 | 2 | 2 |
| TOTAL | 0 | 2 | 2 | 2 | 2 | 2 |

Fiscal Analysis: This impact statement is preliminary. DEQ anticipates a nonabsorbable general fund expenditure impact due to the proposed bill. The bill tasks DEQ with establishing a new program within its

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VPDES permitting division. DEQ estimates that six producers may be added to its monitoring load, in addition to an indeterminate number of transporters or recipients of preproduction plastic. The agency estimates that one permit writer can process five to six complex individual permits on an annual basis. Two positions are estimated to be needed to carry out the requirements of the bill.

Other: None.